

ITEM: 19

SUBJECT: Musco Family Olive Company and the Studley Company,
Wastewater Treatment and Land Disposal Facility, San Joaquin
County

BOARD ACTION: Consideration of a *Stipulation for Entry of Administrative Civil Liability
and Penalty Order* and *Cease and Desist Order*

BACKGROUND: The Musco Family Olive Company operates an olive brining and
packing plant south of Tracy near Patterson Pass Road on land
leased from the Studley Company. The facility is regulated by Waste
Discharge Requirements (WDRs) Order No. R5-2005-0024 for the
discharge of designated waste to Class II surface impoundments and
by WDRs Order No. R5-2002-0148 for the discharge of less
concentrated waste to a reservoir followed by application to land.
Musco is also regulated by two enforcement orders—Revised Time
Schedule Order (TSO) No. R5-2002-0014-R01 and Cleanup and
Abatement Order (CAO) No. R5-2002-0149.

Stipulated Order

On 6 August 2004, the Executive Officer issued an ACL Complaint to
Musco for penalties in the amount of \$493,500 for failure to comply
with the revised TSO. Musco continued to violate the TSO and the
CAO after issuance of the ACL Complaint. After recent settlement
discussions, the Executive Officer and Musco are proposing to settle
the matter by:

- Requiring Musco to pay a penalty in the amount of \$493,500,
which will settle all violations of the WDRs, CAO, and TSO through
30 June 2007, except for potential violations relating to installation
of a wastewater storage pond liner and surface water discharges,
and
- Requiring Musco to obtain financial assurances for any necessary
site maintenance and remediation.

The parties to this action (the Regional Water Board's Enforcement
Team and Musco) are requesting that the Regional Water Board
approve the proposed *Stipulation for Entry of Administrative Civil
Liability and Penalty Order*, which would settle this matter.

Cease and Desist Order

The proposed CDO would establish a time schedule for Musco to
achieve compliance with its current WDRs (with the exception of the
interim effluent limits), provide additional data, submit the
outstanding information required by other Orders, and submit a
revised Report of Waste Discharge.

Because Musco cannot comply with the interim effluent limits in its
WDRs, the proposed CDO provides performance-based revised
interim effluent limits for 30 months while the work described below is
ongoing.

Staff Report
Musco Family Olive Company
San Joaquin County

The proposed CDO addresses all compliance issues identified at the facility, and requires that the Discharger complete numerous tasks and reports, including: (a) submission of a capacity evaluation, (b) submission of a soil assimilative capacity evaluation, (c) installation of additional monitoring wells, (d) continuation of groundwater characteristics and potential impacts investigation, (e) submission of a tailwater and stormwater capacity evaluation, (f) implementation of measures to prevent the discharge of wastewater and/or stormwater in violation of the WDRs and CDO, (g) submitting a Report of Waste Discharge, including an updated Water Quality Protection Standard report and feasibility studies for treatment technologies and source control methods, and (h) provide and maintain financial assurances as required by the proposed Stipulated Order.

ISSUES: Regional Water Board staff has met with the Discharger numerous times, and has resolved the issues relating to each Order. These Orders are uncontested.

RECOMMENDATION: Adopt the *Stipulation for Entry of Administrative Civil Liability and Penalty Order* and *Cease and Desist Order* as proposed.

Mgmt. Review _____
Legal Review _____

25/26 October 2007
Central Valley Regional Water Quality Control Board meeting
11020 Sun Center Dr. #200
Rancho Cordova, CA 95670